
U.S. TRADE AND DEVELOPMENT AGENCY

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**USTDA GRANTS SUPPORT INCREASED USE OF
ALTERNATIVE ENERGY RESOURCES IN INDONESIA**

JAKARTA, INDONESIA – Promoting the use of clean energy to strengthen Indonesia's energy security is the objective of a USTDA grant awarded today to PT Perkebunan Nusantara III (PTPN III), a state-owned palm oil producer. The grant responds to rising energy demands and declining domestic oil production that have led the Indonesian government to promote alternative resources, such as biofuels, as a means to reduce the country's reliance on imported petroleum.

"The United States is committed to furthering the development and use of alternative energy resources, both at home and abroad, as a means to reduce dependence on fossil fuels and help improve the environment," said U.S. Under Secretary of State for Economic, Energy and Agricultural Affairs Reuben Jeffery III at today's grant signing ceremony at the U.S. Commercial Service in Jakarta. "We are pleased to partner with Indonesia in its efforts to do the same."

"We believe this project will help demonstrate a sustainable approach to the production of biofuels from palm oil," said PTPN III President Director Amri Siregar in remarks at the signing ceremony. President Director Siregar and Under Secretary Jeffery signed the grant agreement on behalf of the PTPN III and U.S. government, respectively. USTDA Regional Director for Asia Henry Steingass and PTPN III Director of Planning and Development Chairul Muluk signed as witnesses to the grant agreement.

The \$540,000 grant awarded today will fund early investment analysis on a proposed integrated biodiesel processing and energy production plant. The proposed facility will utilize palm oil as a feedstock and will be constructed on an existing plantation in North Sumatra Province. Waste products from the production cycle will be used to generate sufficient energy to power the plant and contribute to the local grid. The project will provide a demonstration of environmentally sustainable methods for biodiesel production that could be replicated elsewhere.

The opportunity to conduct the USTDA-funded investment analysis for PTPN III will be competed on the Federal Business Opportunities website at www.fbo.gov. Interested U.S. firms should submit proposals following the instructions in the Federal Business Opportunities announcement. PTPN III will select the U.S. firm that will provide the assistance associated with the USTDA grant.

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The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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